AN ACT concerning employment.

Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 5. The Minimum Wage Law is amended by changing Sections 4 and 6 as follows:

(820 ILCS 105/4) (from Ch. 48, par. 1004)

Sec. 4. (a) (1) Every employer shall pay to each of his employees in every occupation wages of not less than \$2.30 per hour or in the case of employees under 18 years of age wages of not less than \$1.95 per hour, except as provided in Sections 5 and 6 of this Act, and on and after January 1, 1984, every employer shall pay to each of his employees in every occupation wages of not less than \$2.65 per hour or in the case of employees under 18 years of age wages of not less than \$2.25 per hour, and on and after October 1, 1984 every employer shall pay to each of his employees in every occupation wages of not less than \$3.00 per hour or in the case of employees under 18 years of age wages of not less than \$2.55 per hour, and on or after July 1, 1985 every employer shall pay to each of his employees in every occupation wages of not less than \$3.35 per hour or in the case of employees under 18 years of age wages of not less than \$2.85 per hour, and from January 1, 2004 through December 31, 2004 every employer shall pay to each of his or her employees who is 18 years of age or older in every occupation wages of not less than \$5.50 per hour, and from on and after January 1, 2005 through June 30, 2007 every employer shall pay to each of his or her employees who is 18 years of age or older in every occupation wages of not less than \$6.50 per hour, and from July 1, 2007 through June 30, 2008 every employer shall pay to each of his or her employees who is 18 years of age or older in every occupation wages of not less than \$7.50 per hour, and from July 1, 2008 through June 30,

who is 18 years of age or older in every occupation wages of not less than \$7.75 per hour, and from July 1, 2009 through June 30, 2010 every employer shall pay to each of his or her employees who is 18 years of age or older in every occupation wages of not less than \$8.00 per hour, and on and after July 1, 2010 every employer shall pay to each of his or her employees who is 18 years of age or older in every occupation wages of not less than \$8.00 per hour, and on her employees who is 18 years of age or older in every occupation wages of not less than \$8.25 per hour.

- (2) Unless an employee's wages are reduced under Section 6, then in lieu of the rate prescribed in item (1) of this subsection (a), an employer may pay an employee who is 18 years of age or older, during the first 90 consecutive calendar days after the employee is initially employed by the employer, a wage that is not more than 50¢ less than the wage prescribed in item (1) of this subsection (a).
- (3) At no time shall the wages paid to any employee under 18 years of age be more than 50¢ less than the wage required to be paid to employees who are at least 18 years of age <u>under item (1) of this subsection (a)</u>.
- (b) No employer shall discriminate between employees on the basis of sex or mental or physical handicap, except as otherwise provided in this Act by paying wages to employees at a rate less than the rate at which he pays wages to employees for the same or substantially similar work on jobs the performance of which requires equal skill, effort, and responsibility, and which are performed under similar working conditions, except where such payment is made pursuant to (1) a seniority system; (2) a merit system; (3) a system which measures earnings by quantity or quality of production; or (4) a differential based on any other factor other than sex or mental or physical handicap, except as otherwise provided in this Act.
- (c) Every employer of an employee engaged in an occupation in which gratuities have customarily and usually constituted and have been recognized as part of the remuneration for hire

purposes is entitled to an allowance for gratuities as part of the hourly wage rate provided in Section 4, subsection (a) in an amount not to exceed 40% of the applicable minimum wage rate. The Director shall require each employer desiring an allowance for gratuities to provide substantial evidence that the amount claimed, which may not exceed 40% of the applicable minimum wage rate, was received by the employee in the period for which the claim of exemption is made, and no part thereof was returned to the employer.

- (d) No camp counselor who resides on the premises of a seasonal camp of an organized not-for-profit corporation shall be subject to the adult minimum wage if the camp counselor (1) works 40 or more hours per week, and (2) receives a total weekly salary of not less than the adult minimum wage for a 40-hour week. If the counselor works less than 40 hours per week, the counselor shall be paid the minimum hourly wage for each hour worked. Every employer of a camp counselor under this subsection is entitled to an allowance for meals and lodging as part of the hourly wage rate provided in Section 4, subsection (a), in an amount not to exceed 25% of the minimum wage rate.
- (e) A camp counselor employed at a day camp of an organized not-for-profit corporation is not subject to the adult minimum wage if the camp counselor is paid a stipend on a onetime or periodic basis and, if the camp counselor is a minor, the minor's parent, guardian or other custodian has consented in writing to the terms of payment before the commencement of such employment.

(Source: P.A. 93-581, eff. 1-1-04.)

(820 ILCS 105/6) (from Ch. 48, par. 1006)

Sec. 6. (a) For any occupation, the Director may provide by regulation for the employment in that occupation of learners at such wages lower than the minimum wage provided in <u>items (1)</u> and (3) of Section 4, subsection (a) of Section 4 as the Director may find appropriate to prevent curtailment of opportunities for employment and to safeguard the minimum wage

rate of this Act.

- (b) Where the Director has provided by regulation for the employment of learners, such regulations are subject to provisions hereinafter set forth and to such additional terms and conditions as may be established in supplemental regulations applicable to the employment of learners in particular industries.
- (c) In any occupation, every employer may pay a subminimum wage to learners during their period of learning. However, under no circumstances, may an employer pay a learner a wage less than 70% of the minimum wage rate provided in item (1) of Section 4, subsection (a) of Section 4 of this Act for employees 18 years of age or older.
- (d) No person is deemed a learner in any occupation for which he has completed the required training; and in no case may a person be deemed a learner in that occupation after 6 months of such training, except where the Director finds, after investigation, that for the particular occupation a minimum of proficiency cannot be acquired in 6 months.

(Source: P.A. 81-1144.)

Section 99. Effective date. This Act takes effect July 1, 2007.